

FISCAL IMPACT STATEMENT ON BILL NO. **H.4277**

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TO:	The Honorable Joe E. Brown, Chairman, House Medical, Military, Public and Municipal Affairs Committee		
FROM:	Office of State Budget, Budget and Control Board		
ANALYSTS:	Beth Campbell and Allan Kincaid		
DATE:	January 25, 2006	SBD:	2006005

AUTHOR:	Representative Harrison	PRIMARY CODE CITE:	40-43-310
SUBJECT:	Wholesale Licensure and Prescription Medication Integrity Act		

ESTIMATED FISCAL IMPACT ON GENERAL FUND EXPENDITURES:

\$0 (No additional expenditures or savings are expected)

ESTIMATED FISCAL IMPACT ON FEDERAL & OTHER FUND EXPENDITURES:

A Cost to Federal and/or Other Funds (See Below)

BILL SUMMARY:

This Bill provides for the licensure and regulation of wholesale distributors of prescription drugs, the criteria of licensure, the procedures of distribution and the criminal penalties for violations. This Bill also directs the State Board of Pharmacy to conduct a study to determine an implementation date for requiring electronic files on sales in the chain of distribution of drugs.

EXPLANATION OF IMPACT:

Department of Labor, Licensing and Regulation (LLR)

The Department reports this Bill will have no impact on the General Fund of the State or on Federal and/or Other Funds.

State Law Enforcement Division – SLED

According to the Department of Labor, Licensing and Regulation, there are approximately 1,230 wholesalers registered in the state. Based on fees of \$49 collected by SLED, there will be an additional cost of \$60,270 to conduct criminal record checks of applicants.

LOCAL GOVERNMENT IMPACT:

None.

NOTE:

Although not specifically specified in the proposed Bill, for the purposes of this fiscal impact, LLR assumes that the cost of the SLED background check would be paid by the licensee.

Approved by:



Don Addy
Assistant Director, Office of State Budget